

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA

Joshua Wallace

*(Write the full name of each plaintiff who is filing this complaint. If the names of all the plaintiffs cannot fit in the space above, please write "see attached" in the space and attach an additional page with the full list of names.)*

-against-

Navy Federal Credit Union

*(Write the full name of each defendant who is being sued. If the names of all the defendants cannot fit in the space above, please write "see attached" in the space and attach an additional page with the full list of names.)*

## Complaint for a Civil Case

3:25-cv-729-MGL-SVH  
Case No.*(to be filled in by the Clerk's Office)*Jury Trial:  Yes  No  
*(check one)*RCVFB - USDC GOLP SC  
FEB 10 2025 PM 1:48

## I. The Parties to This Complaint

## A. The Plaintiff(s)

Provide the information below for each plaintiff named in the complaint. Attach additional pages if needed.

Name	Joshua Wallace	
Street Address	8505 Two Notch Road Suite 24803	
City and County	Columbia	Richland County
State and Zip Code	South Carolina 29224	
Telephone Number	(803)673-8537	

**B. The Defendant(s)**

Provide the information below for each defendant named in the complaint, whether the defendant is an individual, a government agency, an organization, or a corporation. For an individual defendant, include the person's job or title (if known). Attach additional pages if needed.

Defendant No. 1

Name	<u>Navy Federal Credit Union</u>
Job or Title (if known)	<u>Branch Manager</u>
Street Address	<u>5424 Forest Drive, Suite 100</u>
City and County	<u>Columbia</u> <u>Richland County</u>
State and Zip Code	<u>South Carolina</u> <u>29206</u>
Telephone Number	<u>1-888-842-6328</u>

Defendant No. 2

Name Navy Federal Credit Union Headquarters  
Job or Title CEO  
(if known)  
Street Address 820 Follin Lane SE  
City and County Vienna Fairfax County  
State and Zip Code Virginia 22180  
Telephone Number (703) 204-2046

Defendant No. 3

Name \_\_\_\_\_

Job or Title \_\_\_\_\_  
(if known) \_\_\_\_\_

Street Address \_\_\_\_\_  
City and County \_\_\_\_\_  
State and Zip Code \_\_\_\_\_  
Telephone Number \_\_\_\_\_

Defendant No. 4

Name \_\_\_\_\_  
Job or Title \_\_\_\_\_  
(if known) \_\_\_\_\_

Street Address \_\_\_\_\_  
City and County \_\_\_\_\_  
State and Zip Code \_\_\_\_\_  
Telephone Number \_\_\_\_\_

## II. Basis for Jurisdiction

Federal courts are courts of limited jurisdiction (limited power). Generally, only two types of cases can be heard in federal court: cases involving a federal question and cases involving diversity of citizenship of the parties. Under 28 U.S.C. § 1331, a case arising under the United States Constitution or federal laws or treaties is a federal question case. Under 28 U.S.C. § 1332, a case in which a citizen of one State sues a citizen of another State or nation and the amount at stake is more than \$75,000 is a diversity of citizenship case. In a diversity of citizenship case, no defendant may be a citizen of the same State as any plaintiff.

What is the basis for federal court jurisdiction? *(check all that apply)*

Federal question

Diversity of citizenship

Fill out the paragraphs in this section that apply to this case.

### A. If the Basis for Jurisdiction Is a Federal Question

List the specific federal statutes, federal treaties, and/or provisions of the United States Constitution that are at issue in this case.

Dodd-Frank Act Wall Street Reform and Consumer Protection Act, 2021-2022 Bill L37: S.C. Dodd-Frank Conformity; 12 USC § 1431(a) Powers and Duties of banks; S.C. Code Ann. § 37-22-190

**B. If the Basis for Jurisdiction Is Diversity of Citizenship**

## 1. The Plaintiff(s)

## a. If the plaintiff is an individual

The plaintiff, (name) JOSHUA A WALLACE, is a citizen of the State of (name) South Carolina.

## b. If the plaintiff is a corporation

The plaintiff, (name) JOSHUA WALLACE DBA, is incorporated under the laws of the State of (name) South Carolina, and has its principal place of business in the State of (name) South Carolina.

*(If more than one plaintiff is named in the complaint, attach an additional page providing the same information for each additional plaintiff.)*

## 2. The Defendant(s)

## a. If the defendant is an individual

The defendant, (name) \_\_\_\_\_, is a citizen of the State of (name) \_\_\_\_\_. Or is a citizen of (foreign nation) \_\_\_\_\_.

## b. If the defendant is a corporation

The defendant, (name) NAVY FEDERAL CREDIT UNION, is incorporated under the laws of the State of (name) South Carolina, and has its principal place of business in the State of (name) South Carolina. Or is incorporated under the laws of (foreign nation) South Carolina, and has its principal place of business in (name) South Carolina.

*(If more than one defendant is named in the complaint, attach an additional page providing the same information for each additional defendant.)*

### 3. The Amount in Controversy

The amount in controversy—the amount the plaintiff claims the defendant owes or the amount at stake—is more than \$75,000, not counting interest and costs of court, because (*explain*):

The amount in controversy is \$195,000.00  
This would have been the equivalent of Loan  
Payment Coupons issued for 30 years, by monthly.

### III. Statement of Claim

Write a short and plain statement of the claim. Do not make legal arguments. State as briefly as possible the facts showing that each plaintiff is entitled to the damages or other relief sought. State how each defendant was involved and what each defendant did that caused the plaintiff harm or violated the plaintiff's rights, including the dates and places of that involvement or conduct. If more than one claim is asserted, number each claim and write a short and plain statement of each claim in a separate paragraph. Attach additional pages if needed.

Breach of Trust/Breach of Contract - Defendant processed  
promissory note as legal tender and begin sending loan payment  
Coupons, however no credits were made on proper account.  
Full disclosure of contract was intentionally hidden to deceive  
and cause harm to Mr. Wallace.

### IV. Relief

State briefly and precisely what damages or other relief the plaintiff asks the court to order. Do not make legal arguments. Include any basis for claiming that the wrongs alleged are continuing at the present time. Include the amounts of any actual damages claimed for the acts alleged and the basis for these amounts. Include any punitive or exemplary damages claimed, the amounts, and the reasons you claim you are entitled to actual or punitive money damages.

Promissory Note presented as legal tender - \$95,000.00; Credit  
transaction - \$100,000.00; Loan Payment Coupons on 30 year fixed  
mortgage x 9 (12 coupons per year at \$1,000.00); Out of pocket  
expenses - \$23,678.00; Mr. Wallace is requesting for himself  
and all accounts attached to Navy Federal Credit Union be made whole.

**V. Certification and Closing**

Under Federal Rule of Civil Procedure 11, by signing below, I certify to the best of my knowledge, information, and belief that this complaint: (1) is not being presented for an improper purpose, such as to harass, cause unnecessary delay, or needlessly increase the cost of litigation; (2) is supported by existing law or by a nonfrivolous argument for extending, modifying, or reversing existing law; (3) the factual contentions have evidentiary support or, if specifically so identified, will likely have evidentiary support after a reasonable opportunity for further investigation or discovery; and (4) the complaint otherwise complies with the requirements of Rule 11.

**A. For Parties Without an Attorney**

I agree to provide the Clerk's Office with any changes to my address where case-related papers may be served. I understand that my failure to keep a current address on file with the Clerk's Office may result in the dismissal of my case.

Date of signing: February 7, 2025

Signature of Plaintiff



Printed Name of Plaintiff

Joshua Wallace**B. For Attorneys**

Date of signing: \_\_\_\_\_, 20\_\_.

Signature of Attorney

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Printed Name of Attorney

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Bar Number

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Name of Law Firm

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Address

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Telephone Number

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E-mail Address

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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA**

February 10, 2025

**Joshua Wallace,**

**Civil Action No.**

**Plaintiff,**

**V**

**Navy Federal Credit Union,**

RCV'D - USDC COLA SC  
FEB 10 2025 PM 1:43

**Defendants**

**COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION  
OF A CREDITOR, AND PUNITIVE DAMAGES**

**I. Jurisdiction and Venue**

1. This Court has subject matter jurisdiction under 28 U.S.C. § 1331 (federal question jurisdiction) due to actions arising under federal law, including:

28 U.S.C. § 1332 (diversity jurisdiction) if applicable.

12 U.S.C. § 5531 & § 5536 (Dodd-Frank Act) – Prohibiting unfair, deceptive, or abusive acts or practices (UDAAPs) in financial transactions.

12 U.S.C. § 1431(a) – Governing misrepresentation of a creditor.

2. This Court also has supplemental jurisdiction under 28 U.S.C. § 1337 over Plaintiff's related state law claims, including breach of contract and punitive damages, as they arise from the same set of operative facts.

3. This Court has jurisdiction over Defendant because:

Defendant regularly conducts business in this district.

Defendant engaged in contractual dealings and deceptive practices within this district.

4. Venue is proper under 28 U.S.C. § 1391 because a substantial part of the events giving rise to this claim occurred within this district.

## II. Parties

Plaintiff Joshua Wallace is a resident of Richland County, South Carolina.

Defendant Navy Federal Credit Union is a Financial Institution conducting business in South Carolina.

## FACTUAL ALLEGATIONS

1. On 10/12/2022 Plaintiff entered into a contractual agreement with Defendant for a mortgage, a loan, and agreement to financially service the account in question.

2. Defendant made material misrepresentations regarding specific details in transferring ownership pertaining to property, fee payment obligations, coupon remittance, loan terms or modifications, which Plaintiff relied upon in good faith.

3. Defendant's misrepresentation violates 12 U.S.C. § 1431(a), which governs federal banking and lending practices and prohibits deceptive or misleading statements in financial transactions.

4. Defendant breached the contract by failure to disclose all specific details pertaining to Master Deed and transfer of ownership. Defendant also failed honor loan terms of contract, charged unauthorized charges, refusal to provide agreed-upon services, and failure to cure the problem when Mr. Wallace made light of the situation.

5. As a direct result, Plaintiff suffered financial harm, emotional distress, and other damages.

## CAUSES OF ACTION

**COUNT 1:**  
BREACH OF CONTRACT (S.C. Code Ann. § 36-2-703 et seq.)

6. Plaintiff and Defendant had a valid and enforceable contract.
7. Defendant materially breached the contract by misrepresenting themselves as the creditor and participated in theft of Mr. Wallace's securities.
8. Under S.C. Code Ann. § 36-2-703 et seq., Plaintiff is entitled to damages due to Defendant's failure to perform contractual obligations.
9. As a direct and proximate result of Defendant's breach, Plaintiff suffered damages and seeks compensatory relief.

**COUNT 2:**  
**MISREPRESENTATION OF A CREDITOR (12 U.S.C. § 1431(a))**

10. Defendant, acting as a creditor, misrepresented specific financial details dealing with mortgage contract and specific payments that were due to Plaintiff.
11. These misrepresentations were knowingly false or made with reckless disregard for the truth.
12. Plaintiff reasonably relied on these false representations, leading to financial harm.
13. Defendant's actions constitute a violation of 12 U.S.C. § 1431(a), which prohibits deceptive financial practices.

**COUNT 3:**  
**PUNITIVE DAMAGES (S.C. Code Ann. § 15-33-135 & Common Law)**

14. Defendant's conduct was willful, wanton, and reckless, justifying punitive damages under South Carolina law.
15. Under S.C. Code Ann. § 15-33-135, Plaintiff seeks punitive damages to punish Defendant and deter future misconduct.

**COUNT 4:****CLAIM IN RECOUPMENT UNDER THE DODD-FRANK ACT (12 U.S.C. § 5531 & § 5536)**

16. The Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. § 5531 & § 5536) prohibits unfair, deceptive, or abusive acts or practices (UDAAPs) in financial transactions.

17. Defendant, acting as a creditor or financial institution, engaged in unfair and deceptive practices by:

**Misrepresenting material loan terms.**

18. Failing to act in good faith regarding contract obligations.

19. Concealing or misrepresenting crucial financial information.

20. Plaintiff asserts a Claim in Recoupment to offset financial harm caused by Defendant's violations of the Dodd-Frank Act.

21. Under 12 U.S.C. § 5565, Plaintiff is entitled to relief, including but not limited to damages, restitution, and injunctive relief.

**RELIEF REQUESTED**

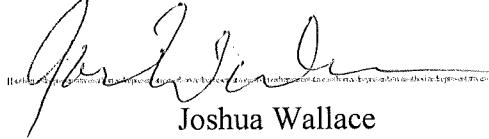
WHEREFORE, Plaintiff respectfully requests that this Court:

1. Award compensatory damages in the amount of \$300,000.00 for financial losses.
2. Award punitive damages in an amount sufficient to punish Defendant for willful misconduct.
3. Grant attorney's fees and court costs pursuant to applicable laws.
4. Provide any other relief the Court deems just and proper.
5. Rescission or modification of unfair loan terms.
6. Recoupment of financial losses suffered due to deceptive practices.

7. Equitable relief under consumer protection laws.
8. Coupons should continue to be remitted into the principal account monthly.

February 10, 2025

Respectfully Submitted,



Joshua Wallace  
8505 Two Notch Road  
(803) 673-8537  
joshuwallace803@gmail.com